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# The Self- Employed

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## **Focus on Canada**

**By: Arthur Gardner**

## **The Self-Employed**

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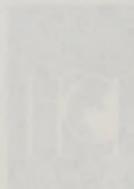
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## Preface

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**Focus on Canada** is a series of publications portraying the people of Canada. The portrait is drawn through the analysis of the data collected by the 1991 Census of Population and Housing. Each publication examines a specific issue and provides a demographic, social, cultural and economic perspective.

The authors of this series have taken special care to make their analysis informative and easy to read. They use descriptive graphs and data tables to more clearly illustrate the information. Often the results are compared to previous censuses, showing how Canada and Canadians have changed over time.

The publications were prepared by analysts at Statistics Canada, and reviewed by peers from within the Agency as well as experts from external organizations. I would like to extend my thanks to all the contributors for their role in producing this useful and interesting publication.

I would like to express my appreciation to the millions of Canadians who completed their questionnaires on June 4, 1991. Statistics Canada is very pleased to be able to now provide this summary of the results. I hope you enjoy reading this study – and the others in this series.

Ivan P. Fellegi  
Chief Statistician of Canada

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## **Highlights**

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The self-employed can be divided into two categories based on whether or not they have people working for them. Employers have paid help. Independent workers have no paid help.

- In 1991, less than 2% of all Canadian workers were self-employed in agriculture, compared with over 16% in 1931.
- Self-employment declined in all industries in the last 60 years, from 1 in 4 workers in 1931 to 1 in 10 in 1991.
- In 1991, nearly half of the self-employed in industries other than agriculture were employers, compared with only one quarter of the self-employed in 1931.
- Since self-employment can require work experience and years of training, most independent workers and employers are older than employees. The average age of employees is 36, compared with 42 and 43 for independent workers and employers respectively.
- The self-employed retire later in life. Nearly 18% of independent workers and 17% of employers work after the age of 55, compared with less than 10% of employees.
- The number of women employers has grown significantly since 1931, when there was 1 woman for every 25 men employers in non-agricultural industries. In 1991, this ratio had jumped to 1 woman for every 3 men.
- Being an employer has some family aspects. Almost 60% of all wives who are employers are in families in which the husband is also an employer.
- In part because professional occupations (e.g., doctors, lawyers, accountants, engineers) represent a high proportion of the self-employed work force, the percentage of employers (24%) and independent workers (18%) with a university degree is higher than for employees (15%).

- Immigrants are more likely than the Canadian-born population to be self-employed. Over 11% of immigrants are self-employed, compared with 8% of Canadian-born workers.
- Employers work more hours per week than both independent workers and employees. There is about a 7-hour difference in the average number of hours worked by employers (47.1) and independent workers (39.7), and a 10-hour difference between employers and employees (37.2).
- Food services (e.g., restaurants) is the industry with the most self-employed workers, nearly 50,000 persons representing 4% of all the self-employed.
- The three occupations with the highest rate of self-employment are Dentists (83.0%), Osteopaths and Chiropractors (75.5%) and Painters, Sculptors and related occupations (71.3%).
- There are five men to every woman in the highest-earning employer occupation groups such as Physicians and Surgeons, Dentists, and Lawyers and Notaries.
- Employers earn more than employees. However, employees earn more, on average, than independent workers.

## **Introduction**

---

The self-employed labour force in Canada is a diverse group. The novelist, the convenience store operator, the farmer, the doctor, the child-care giver, the department store owner – however different these individuals may seem – all are examples of persons who may be self-employed.

The self-employed are formally defined, by the Census, as those who:

- 1) operate farms, businesses or professional practices, either alone or in partnership;
- 2) work on a freelance or contract basis;
- 3) operate direct distributorships, selling and delivering such things as cosmetics and newspapers; or
- 4) fish with their own or rented equipment.

Are the self-employed old or young, highly paid or poorly paid, self-educated or school-educated? In what industries are they concentrated? What types of jobs do they do, and what hours do they work? Do they retire early?

This study uses data from Statistics Canada's Census of Population to answer these questions and others. While trends in self-employment are introduced to put the current status in perspective, the goal of the study is to compare and provide identifying profiles of the two self-employed groups:

- 1) Independent workers – persons who are self-employed and have no other people working for them; and
- 2) Employers – persons who are self-employed and have others working for them.

For comparison, data on employees (persons who worked for another person or company) are also included in this study.

Chapter 1 looks at trends in self-employment since 1931, noting differences in the long- and short-term situations. Chapter 2 examines the demographics of the self-employed labour force. Chapter 3 presents data on the number of hours and weeks worked by the self-employed in comparison with employees, and briefly discusses incorporation. In Chapter 4, self-employment is examined from the perspective of industry groups. Chapter 5 compares the occupations and the employment incomes of the two self-employed groups. The final section summarizes the main features of Canada's self-employed labour force.

# *Chapter*

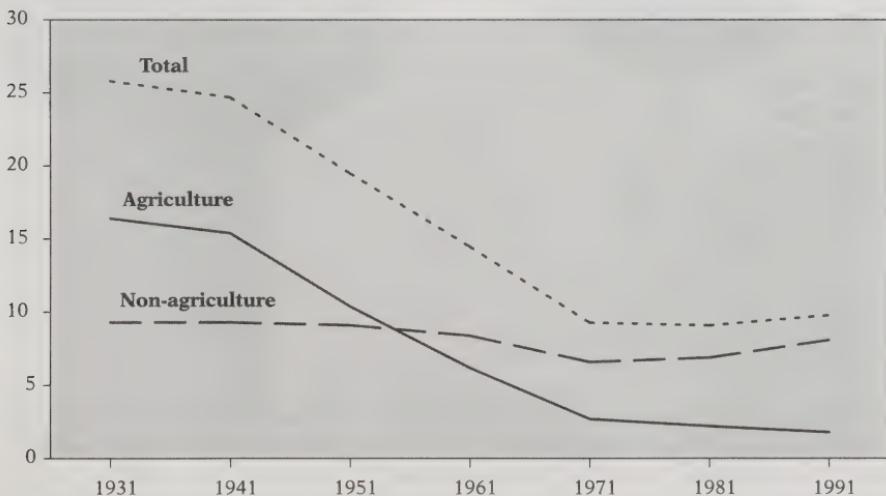
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## Trends

### **Self-employment Decline**

Total Canadian self-employment has declined dramatically in the last 60 years, from 1 in 4 workers to 1 in 10 (**Chart 1.1**). This decline is due in large measure to the decreasing employment share of agriculture in the Canadian economy. In 1931, over 16% of all workers were self-employed in agriculture; by 1991, this had declined to less than 2%. During the same period, non-agricultural self-employment remained relatively stable, declining from 9% of the experienced labour force in 1931 to less than 7% in 1971, before increasing to 8% in 1991.

**Chart 1.1**  
**Self-employment Changes, 1931-1991**  
Self-employed as a percentage of the experienced labour force



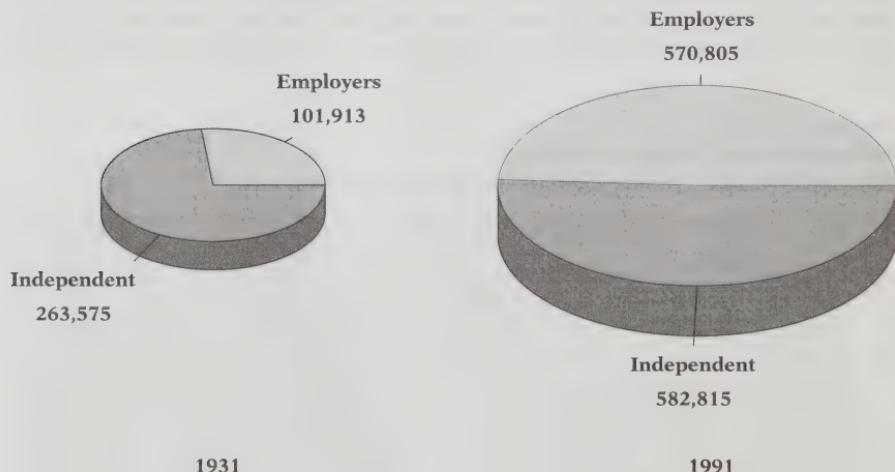
Source: Summary Data Tables, 1931 to 1991.

Even though agriculture's share of employment is decreasing, the relatively large size of its self-employed labour force and the unique characteristics of its workers tend to mask interesting tendencies in the remainder of the labour force. Because the focus of this study is on non-agricultural self-employment, no data on the agricultural labour force are included in any of the tables, graphs and data, apart from the current chapter. A summary discussion of the agricultural self-employed is included in the Agriculture Summary.

Although the overall rate of non-agricultural self-employment has remained relatively constant since 1931, the composition of this portion of the labour force has changed. The trend has been an increase in the relative number of employers compared to independent workers (**Chart 1.2**).

**Chart 1.2**  
**Employer/Independent Worker Comparison, 1931 and 1991**

**Self-employed in non-agriculture industries only**



Source: Summary Data Tables, 1931 to 1991.

This reflects several overlapping factors. Secondary industries, which require more than one person to accomplish an activity (i.e., manufacturing and construction), have grown. In addition, there has been a decline or change in the operation of such resource-based industries as fishing and forestry. While individuals have historically worked alone in these industries, the work is now more often done by "companies" of workers.

The number of skilled, independent tradespeople (e.g., shoemakers, cabinetmakers) has decreased. These individuals have not found it easy to compete with the manufacturing capabilities of larger companies.

Finally, even the smallest business today tends to require help with tasks such as billing, completing forms, collecting taxes, answering the telephone or buying material. One-person operations are no longer as easy to run as they were 60 years ago.

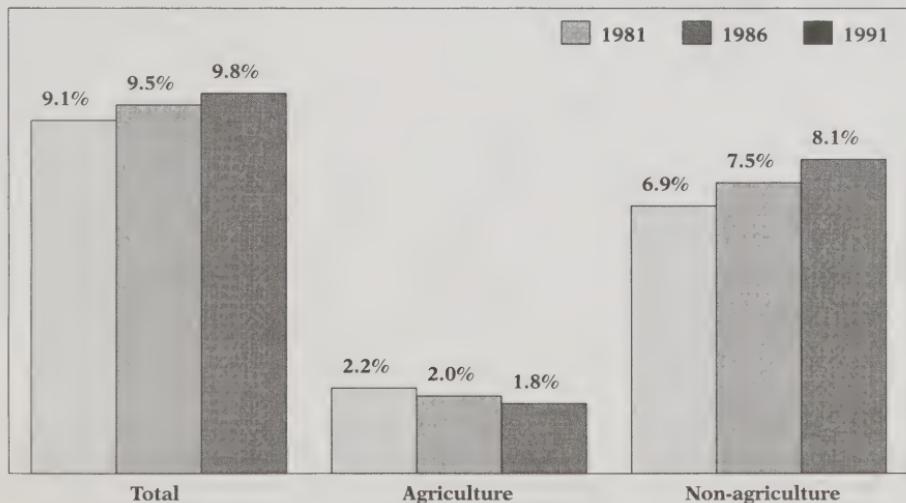
Only one-quarter of the non-agricultural self-employed labour force were employers in 1931. Now nearly half this population report that they have people working for them.

## Strong Recent Increase

The recent past (1981 to 1991) has seen different patterns of overall change in self-employment compared with the 60-year period under discussion. Agricultural self-employment continued to decline, but less drastically than in the middle years of this century. Strong growth of non-agricultural self-employment during this 10-year period has led to an overall increase in self-employment (**Chart 1.3**).

**Chart 1.3**  
**Self-employment, 1981, 1986 and 1991**

Self-employed as a percentage of the experienced labour force



Source: Summary Data Tables, 1931 to 1991.

In addition, the doubling of the employer's relative share<sup>1</sup> of the non-agricultural self-employed, highlighted earlier, actually showed a slight reversal between 1981 and 1991, dropping from 54% to 49%.

## Trend Reversal

---

The long- and short-term trends in self-employment are conflicting. It is clear that over the long term, self-employment has declined, the employer's share of self-employment has risen, and the self-employed agricultural labour force has declined dramatically. It is also reasonable to highlight the recent rapid growth in self-employment, the increasing role of the independent worker, and the gradual decline in the number of self-employed workers in agriculture.

While both observations are accurate in context, any statement on self-employment trends must reference the period under consideration. Included in the Summary Data Tables are data on agricultural and non-agricultural self-employment in Canada, by sex and census year, from 1931 to 1991. Readers may wish to examine different periods from the two chosen here.

---

<sup>1</sup> Also known as the **employer rate**, the employer's relative share is based on the number of employers in the experienced labour force for the category or subcategory being examined, divided by the total self-employed for that category. For example, 74,360 self-employed workers are found in the population that immigrated to Canada between 1961 and 1970. Of this number, 39,770 are employers. The **employer rate** for this population is 39,770/74,360, or 53.5%.

# *Chapter*

## *2*

### **Demographics**

---

Although the self-employed are not a homogenous population group, they do have certain common characteristics. They have relatively different distributions by age, sex, marital status, family structure, education and immigration status than their employee counterparts. Examining these distributions reveals some aspects that help distinguish the self-employed population, such as the tendency for self-employed workers to work to a later age in life.

#### **Age**

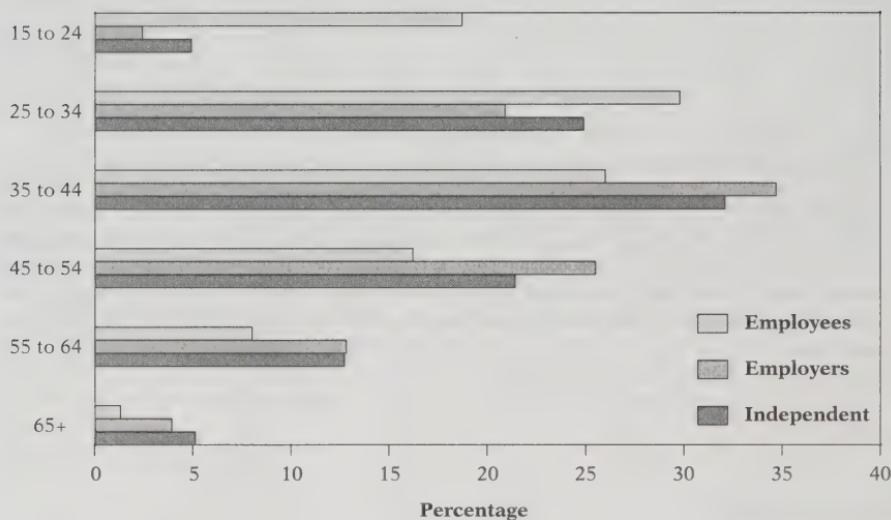
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#### **Mark of Maturity**

The self-employed are an older population (**Chart 2.1**). The largest age group for both employers and independent workers is the 35 to 44 range, while very few are under 25.

**Chart 2.1**  
**Age Distributions by Type of Worker**

**Age group**



Note: Non-agricultural industries only.

Source: 1991 Census, unpublished data.

Employees are younger. Nearly 20% are less than 25 years of age (many of these are students as well as workers). The largest employee age group is the 25 to 34 range. The average age of an employee is 36, compared with 42 and 43, respectively, for self-employed independent workers and employers.

It is not surprising that the self-employed are an older population, since many self-employed jobs require work experience and years of training. It is not easy to get a medical or engineering degree at 16 years of age, nor is it easy to gather the capital required to own a business until later in life.

### **Working Later**

The self-employed are more likely to work later in life than employees. Nearly 18% of independent workers and 17% of employers work after the age of 55, compared with less than 10% of employees.

This tendency can be attributed to several factors. For example, even though direct contributions to RRSPs and other money-accumulating methods are commonplace, the absence of structured pension plans for the self-employed can be a negative factor for some workers, possibly causing some to continue working past the point at which they may like to end their careers.

On the opposite side, with the flexibility provided by being one's own boss, and given the absence of predefined company retirement rules, the self-employed person may be able to work to a later age and slip gradually into retirement, choosing reduced work hours and greater reliance on employees.

## Sex

---

### Male-dominated

The self-employed work force is predominantly male, with men making up two out of every three independent workers and three out of every four employers (**Table 2.1**). Although this male predominance has long chastized self-employment, particularly when speaking of employers, the situation is changing. In 1931, there were 25 men to every woman employer in non-agricultural industries. Even as late as 1981, there were 5 men to every woman. The current ratio of 3 to 1 certainly indicates that there are more women entrepreneurs now than there were in the past.

**Table 2.1**

Distribution of the Experienced Labour Force by Age, Showing Percentage Male, by Selected Type of Worker

Age group	Employees		Employers		Independent workers	
	Number	% Male	Number	% Male	Number	% Male
All ages	<b>12,518,785</b>	<b>53.3</b>	<b>570,405</b>	<b>75.7</b>	<b>580,920</b>	<b>66.1</b>
15 to 24	2,350,835	51.5	13,360	72.0	28,110	65.8
25 to 34	3,731,890	53.2	118,780	73.0	144,855	61.8
35 to 44	3,247,315	52.1	197,755	74.6	181,075	63.7
45 to 54	2,027,110	54.0	145,055	76.3	124,035	68.3
55 to 64	1,003,530	59.6	73,260	80.9	73,515	74.1
65+	158,090	59.5	22,190	80.9	29,330	72.9

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

## Marital Status and the Family

### More Often Married

Lower self-employment for unmarried persons is not unexpected, since it has already been shown that younger persons are less likely to be self-employed. The trends for single men and women are similar, in both cases the self-employment rate<sup>1</sup> for single persons is less than half the overall rate.

For both men and women, the married and living with spouse category has the highest proportion of employers, while the lowest proportion is found in the single category. The next section investigates this more fully.

**Table 2.2**  
**Self-employment Rate (1) by Marital Status and Sex**

Marital status	Self-employment rate	
	Men	Women
All	10.9	5.4
Single	4.8	2.1
Married total (1)	13.3	6.6
Married, spouse absent (2)	11.5	4.9
Married, spouse present	13.4	6.7
Widowed	16.4	7.8
Divorced	12.7	5.3

(1) Population is restricted to occupied private households in this table only.

(2) Includes separated, as well as other long-term absences.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

### Strong Family Influence

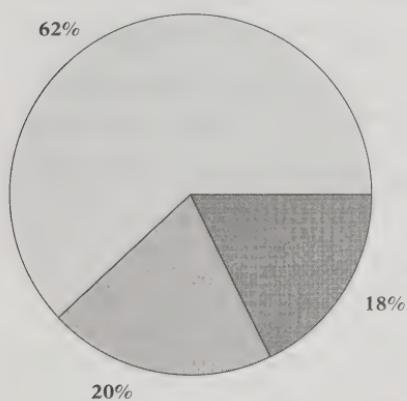
The characteristics of husband/wife families (those families in which both the husband and wife are present in the home) complete this picture. There is one statistic of particular note in these family data – in over 60,000 families in Canada, both the husband and wife are employers. Almost 60% of the wives who are employers are in families in which the

<sup>1</sup> The **self-employment rate** is based on the number of self-employed persons in the experienced labour force for the category or subcategory being examined, divided by the total number for that category. For example, there are 2,036,140 single men in the experienced labour force. Of this number, 97,990 are self-employed. The **self-employment rate** for single men is  $97,990/2,036,140$ , or 4.8%.

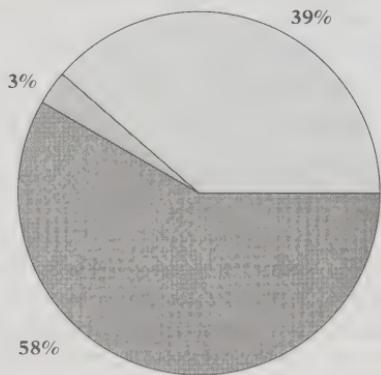
husbands are also employers. In over 80% of the cases, these couples are in the same industry group, the most detailed level at which the census classifies industry data.

While we cannot assume that all of these cases are partnership or shared enterprise operations, it is likely that this will frequently be the case. While not as dramatic, almost 20% of the husbands who are employers are in families in which the wife is an employer (**Chart 2.2**).

**Chart 2.2**  
**Employers Showing Class of Worker of Spouse**



**When the husband is employer**



**When the wife is employer**

Spouse other\*       Spouse not in labour force       Spouse employer

\* "Other" includes unpaid family workers, employees and independent workers.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

In looking at industry data for these husband/wife families (**Table 2.3**), we see that many of the industry divisions in which there is a high proportion of "same industry" responses for both husbands and wives are those in which women are more concentrated than men. This is true for accommodation, food and beverage services (e.g. restaurants) and retail trade (e.g. convenience stores). These are two divisions in which 90% of the husband/wife employers are in the same industry. They are also industries that lend themselves to shared ownership and work.

**Table 2.3**

**Five Largest Industry Divisions Ranked by Number of Husband/Wife Employers in the Labour Force**

Industry division	Number of families	Husband and wife in the same industry (1)
		Percentage
All industries (2)	64,115	83.7
Retail trade	17,145	89.8
Accommodation, food and beverage services	8,835	94.1
Construction	7,465	75.6
Other services (3)	5,865	86.6
Business services	5,490	65.5

(1) The matching industry was the same at the most detailed coding level (i.e., the industry group).

(2) Includes all other industries not specified.

(3) Includes a variety of industries from shoe repair to child care.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

These data mark the “family enterprise” as near the norm for women, and a significant factor for men. In addition, these facts help explain why married men and women have such high employer rates.

## Education

### An Educated Work Force

For all but the highest education level, there is little variation among the different types of worker categories. In particular, the number of workers with high school graduation/trades certificate or less is similar for the three groups (**Table 2.4**).

More difference is evident in a comparison of the number of individuals with university degrees. In 1991, one in four employers had a university degree, as opposed to one in five independent workers and just over 15% of employees.

**Table 2.4**

**Percentage Distribution of the Experienced Labour Force by Highest Level of Schooling for Different Types of Workers**

Education	Employees	Self-employed		
		Total	Employers	Independent workers
<b>Percentage</b>				
<b>All levels of schooling</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
No high school graduation	26.5	25.4	24.8	26.0
High school graduation/trades certificate only	20.4	18.4	18.7	18.1
Some postsecondary, no certificate	12.8	9.9	9.3	10.6
Postsecondary certificate	25.8	25.4	23.8	27.0
University degree	14.5	20.9	23.5	18.4

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

A comparison of self-employed and employee occupations demonstrates the differences in the levels of higher education. In the self-employed work force, professional occupations that require university degrees to practice, such as doctors, lawyers, accountants or engineers, represent a high proportion of the workers. Those employee-oriented occupations that demand the same type of requirements, such as nurses and teachers, do not contribute as large a share to the employee labour force.

## Immigration

### Self-employed Trend Clear

Immigrants are much more likely than the Canadian-born population to be self-employed (**Table 2.5**). Over 11% of immigrants are self-employed, as opposed to 8% of Canadian-born workers. Only in the most recent group of immigrants (1986-1991) are there proportionally fewer self-employed workers, likely because they generally have less education, less capital and a higher proportion of students in job or skill retraining than the rest of the population.

One factor that does not contribute to the differences in self-employment rates is the age of these recent immigrants. Although this study does not show full age data for all

periods of immigration there is little difference in the age distribution of recent immigrants compared with that of the total Canadian-born labour force.

**Table 2.5**  
**Self-employment Rate and Employer Rate for the Experienced Labour Force by Period of Immigration**

Immigration status and period of immigration	Number	Self-employment rate	Employer rate
All persons	13,698,895	8.4	49.5
Non-permanent residents (1)	106,630	4.5	40.7
Canadian-born population	11,029,025	7.8	49.1
Immigrant population	2,563,240	11.3	51.1
Before 1961	527,370	15.7	52.6
1961-1970	611,880	12.2	53.5
1971-1980	757,745	10.4	51.8
1981-1985	252,135	9.6	45.8
1986-1991	414,105	7.0	43.1
1981-1991	666,245	8.0	44.4

(1) The term "non-permanent residents" refers to persons with specific immigration status (e.g., people on student visas and refugee claimants), who were first enumerated in 1991. The category is included here for the sake of completeness.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Relatively high rates of immigrant self-employment cross the boundaries of other characteristics as well. For example, immigrant women are more likely to be self-employed than their Canadian-born counterparts, with a self-employment rate of 7% compared with 5%. The same is true for men (15% versus 10%). It is also true irrespective of the age or industry considered. For example, immigrants under the age of 25 have a low self-employment rate (2.1%). The Canadian-born rate for this same age group is even lower (1.7%).

# *Chapter*

## *3*

### **Labour Characteristics**

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#### **Hours Worked**

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##### **Marked Difference in the Amount Worked**

The self-employed work longer hours than employees and, within the ranks of the self-employed, employers work many more hours than independents (**Table 3.1**).

**Table 3.1**

**Average Hours(1) Worked for the Employed Labour Force by Sex and Type of Worker**

Sex	Employees	Total	Self-employed	
			Employers	Independent workers
<b>Both sexes</b>	<b>37.2</b>	<b>43.4</b>	<b>47.1</b>	<b>39.7</b>
Male	40.2	46.0	48.9	42.7
Female	33.7	37.1	41.4	34.0

(1) The average hours are based on the week preceding the census, i.e., they are not the "usual" hours worked, but are based on a single week in the year.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

There is a 10-hour difference in the average number of hours worked by employers compared with employees. The difference is much less between employees and independent workers, although gender is a consideration. Women employees and independent workers work nearly the same number of hours, whereas there is a 2.5-hour difference among men.

The employer/employee differences are equally noticeable in the distribution of hours (**Chart 3.1**). Only 7% of employees work more than 50 hours per week. In the self-employed labour force, on the other hand, nearly one-third of employers work more than 50 hours and over one-half work more than 40. The gap is not as wide at the other end of the scale – just less than 10% of employees report that they work less than 20 hours per week, as opposed to nearly 5% of employers.

**Chart 3.1**  
**Comparison of Hours Worked in a Week(1) by Employees, Employers and Independent Workers**

Percentage



(1) The week referred to is the week preceding census day.

Note: Non-agricultural labour force only.

Source: 1991 Census unpublished data.

## Weeks Worked

### More Weeks Worked for Employers

A pattern of employers working more than other workers seen in the number of hours worked per week is also seen in the number of weeks worked per year (**Table 3.2**).

**Table 3.2**  
**Percentage of Workers by Work Activity and Sex for Different Types of Workers**

Sex	Work activity	Employees	Self-employed		
			Total	Employers	Independent workers
Percentage					
<b>Both sexes</b>	<b>Worked in 1990</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Part-time (1)				
	Less than 40 weeks	10.8	7.9	3.4	12.3
	40 weeks or more	9.3	9.1	5.3	12.7
	Full-time				
	Less than 40 weeks	18.3	12.1	9.7	14.5
	40 weeks or more	61.6	70.9	81.6	60.5
<b>Male</b>	<b>Worked in 1990</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Part-time				
	Less than 40 weeks	7.4	6.0	2.5	9.8
	40 weeks or more	4.5	5.2	2.7	8.0
	Full-time				
	Less than 40 weeks	19.4	12.8	9.9	16.0
	40 weeks or more	68.6	76.0	84.8	66.2
<b>Female</b>	<b>Worked in 1990</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Part-time				
	Less than 40 weeks	14.6	12.4	6.0	17.1
	40 weeks or more	14.7	18.1	13.1	21.5
	Full-time				
	Less than 40 weeks	17.0	10.5	8.9	11.7
	40 weeks or more	53.6	58.9	72.0	49.8

(1) Part-time is defined as less than 30 hours of work per week.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

In this instance, the employee and independent worker tendencies are similar, and both differ from the employer characteristics. Over 80% of employers work full time for most of the year,<sup>1</sup> in contrast with just 60% of employees or independent workers. On the other hand, less than 1 in 10 employers works part time, compared with one-quarter of independent workers and 1 in 5 employees. Women are much more likely than men to work part time in all categories of work. In particular, nearly 40% of women independent workers work part time, and less than 50% work full time for most of the year.

## Incorporation

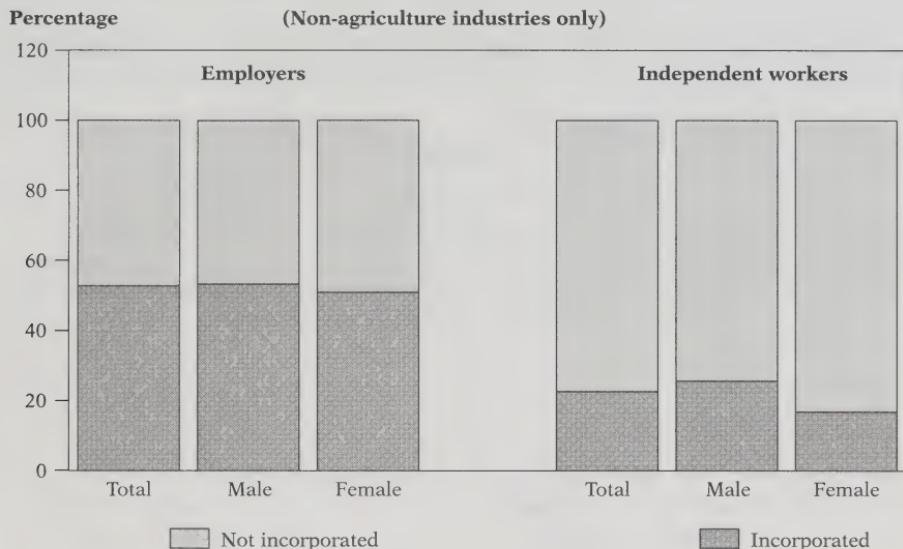
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There is one characteristic that is unique to the self-employed. If desired, self-employed workers can incorporate their businesses for tax and administrative purposes. Far more employers than independent workers have incorporated their businesses (**Chart 3.2**). More self-employed men than women are incorporated, though the gender difference among employers is slight.

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<sup>1</sup> The **most of the year** cut-off of 40 weeks or more is used in this study since the self-employed population frequently takes unpaid vacation or other types of unpaid leave that are not included in calculating the number of weeks worked. A full year's work for a self-employed worker is often less than the 49-52 weeks (labelled **full-year**) that is traditionally used in categorizing the number of weeks for workers in general.

**Chart 3.2**  
**Percentage Distribution of Incorporation by Self-employed Type and Sex**



Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Incorporation has increased, from 23% of the non-agricultural self-employed labour force in 1971, to 38% in 1991.

The incorporated/unincorporated split is not as helpful in studying general population characteristics as it is in analysing companies or businesses. This study has touched on it to orient those readers who may be more familiar with examining the self-employed labour force in this fashion.



# *Chapter*

## 4

### **Industry**

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An industry is defined based on the type of business and the main activities conducted by that business. The census uses an industry classification structure based on three levels of aggregation. There are 18 divisions (labelled A to R), which are subdivided into 75 major groups. These are subdivided into 296 detailed groups.

#### **The Overall Picture**

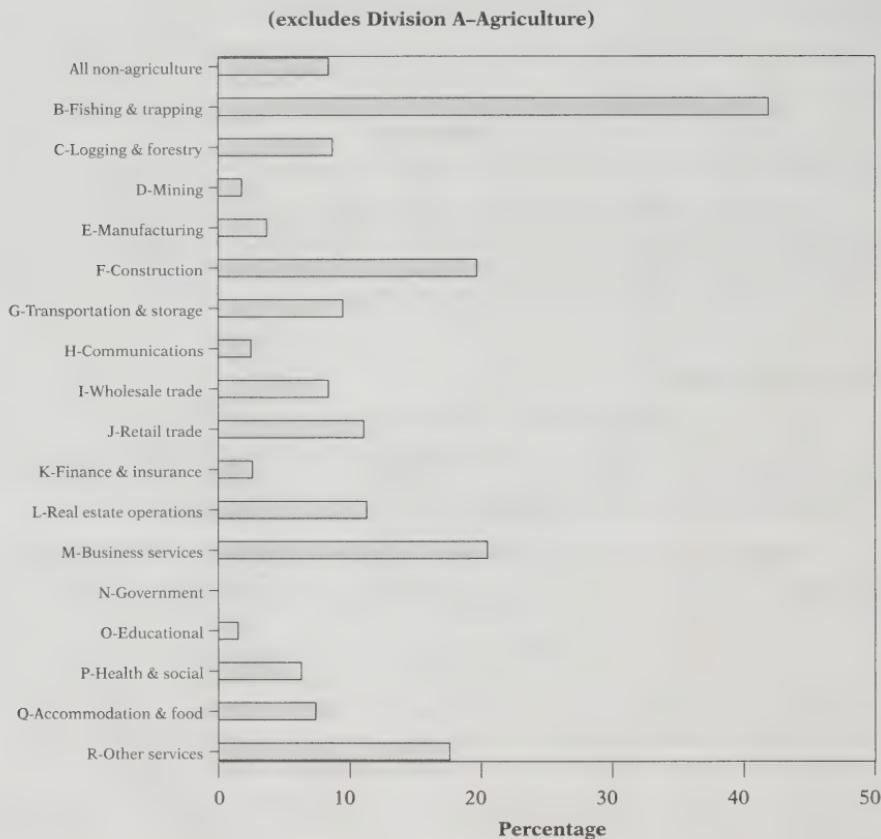
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At the division level, there are nine industries with a self-employment rate equal to or higher than the average level of self-employment (**Chart 4.1**). It is immediately evident from the variation in the rates that self-employment is a function of industry.

The highest rates are found in a range of industry sectors: one in a primary industry, Fishing and trapping (over 40%); one in a secondary industry, Construction (20%); and two in the tertiary (service) industries, Business services (over 20%) and Other services (18%).

On the opposite side, by definition there is no self-employment in government. Self-employed workers who provide contract services to government are classified to the industry of their particular company; for example, Business services. There are other industries with minimal levels of self-employment, including Educational services, Mining, Communications and other utilities, and Finance and insurance. Not surprisingly, firms in these industries make up a significant part of “big business” (e.g., banks, insurance companies, telephone companies) or are government-related industries (e.g., elementary and secondary education).

### Chart 4.1 Self-employment Rate by Industry Division



Source: 1991 Census, unpublished data.

### Industries with the Highest Self-employment Rates

At the most detailed industry classification level, the group, there are 11 industries in which at least one-third of the labour force is self-employed. The highest relative number of self-employed workers can be found in Offices of social service practitioners (e.g., psychologists), with a self-employed concentration of over 60% (**Table 4.1**).

**Table 4.1**  
**Ten Highest-ranked Industry Groups by the Proportion of Self-employed in the Labour Force**

Industry group	Number of self-employed	Self-employment rate	Employer rate
Offices of social service practitioners(1)	2,345	63.9	17.2
Trapping	565	59.5	8.8
Fishing	18,970	45.6	54.1
Photographers	5,745	44.7	26.3
Other services (2)	22,230	43.5	13.3
Other personal household services (3)	26,795	39.3	15.0
Theatre and other staged entertainment services	11,865	37.3	20.8
Other transportation (4)	13,875	37.2	18.9
Management consulting services	15,770	36.7	32.1
Barber and beauty shops	33,045	34.6	35.8
<b>Total for top 10</b>	<b>151,205</b>		<b>27.2</b>

(1) Includes psychologists' offices, private practice social workers, etc.

(2) Includes independent artists, freelance broadcasters, etc.

(3) Includes a variety of industries from shoe repair to babysitting.

(4) Includes the taxicab industry.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

The relatively low employer rates indicate how the independent worker category dominates these high self-employed industries. Just one of these groups, Fishing, has a proportion of employers higher than the employer rate (49.5%) for the entire self-employed population.

## Most Workers

The following series of graphs and tables displays the 10 highest-ranking industry groups by size of the labour force (rather than proportion of self-employment) for the type of worker categories under study.

**Table 4.2**  
**Labour Force in the 10 Highest-ranked Industry Groups by Number of Self-employed**

Industry group	Self-employed	% of all self-employed	Employer rate
Food services (1)	49,390	4.3	71.9
Residential building and development (2)	48,170	4.2	52.5
Offices of physicians and surgeons	41,410	3.6	78.6
Interior and finishing work (2)	41,105	3.6	39.4
Food stores – retail (3)	33,770	2.9	66.1
Barber and beauty shops	33,045	2.9	35.8
Truck transport	32,500	2.8	36.6
Architects' and engineers' offices	32,170	2.8	44.5
Offices of lawyers and notaries	28,535	2.5	79.4
Motor vehicle repair shops	28,175	2.4	57.3
<b>Total for top 10</b>	<b>368,270</b>	<b>32.0</b>	<b>56.7</b>

(1) Includes restaurants.

(2) Construction industries.

(3) Includes convenience stores.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Just less than one-third of all self-employed workers are in the 10 largest groups (**Table 4.2**). The Food services industry contains over 4% of the self-employed labour force. These groups display a higher than average employer rate, approaching 60%, as opposed to 50% for the entire self-employed population. A few industries have employer rates over 70%, including doctors' offices, lawyers' offices and independent food operations.

It is understandable that some industries such as Interior and finishing work (e.g., construction tradespeople) and Truck transport have lower than average employer rates. However, it is surprising that employer rates are relatively low for other small enterprises, such as Offices of architects and engineers. This may reflect the consultant aspect of this industry, where assisting staff often come from the firms that provide these professionals with contracts.

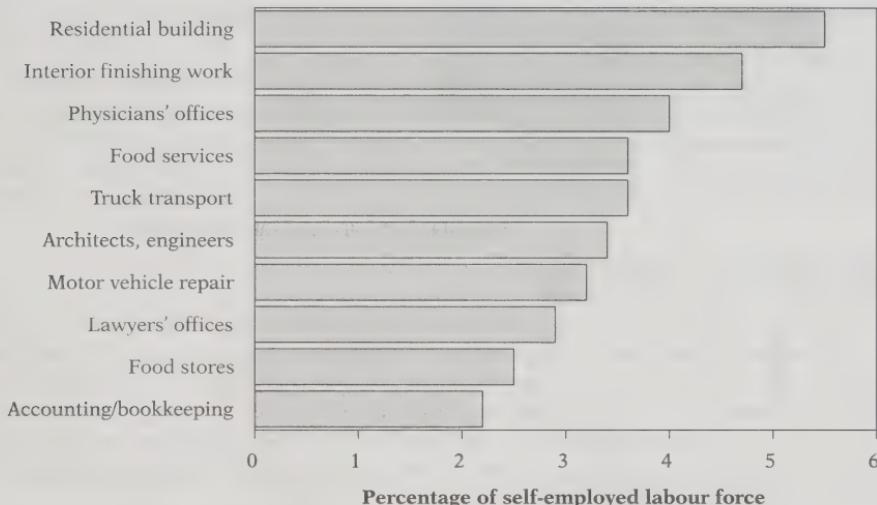
The top three industries are also the top three industries for employers in total (**Table 4.2**). The rankings shift slightly, with more employers in Offices of physicians and surgeons than in Residential building and development.

There is a slightly different mix for the three largest independent worker industries. The Other personal services industry follows the two construction industries (Interior finishing and Residential building).

The industries containing the largest numbers of self-employed men differ only slightly from the overall picture, which is not surprising considering that men make up 70% of the self-employed work force. The only new industry in this top 10 is Accounting and bookkeeping services (**Chart 4.2**).

**Chart 4.2**  
**Top 10 Industry Groups for Self-employed Men**

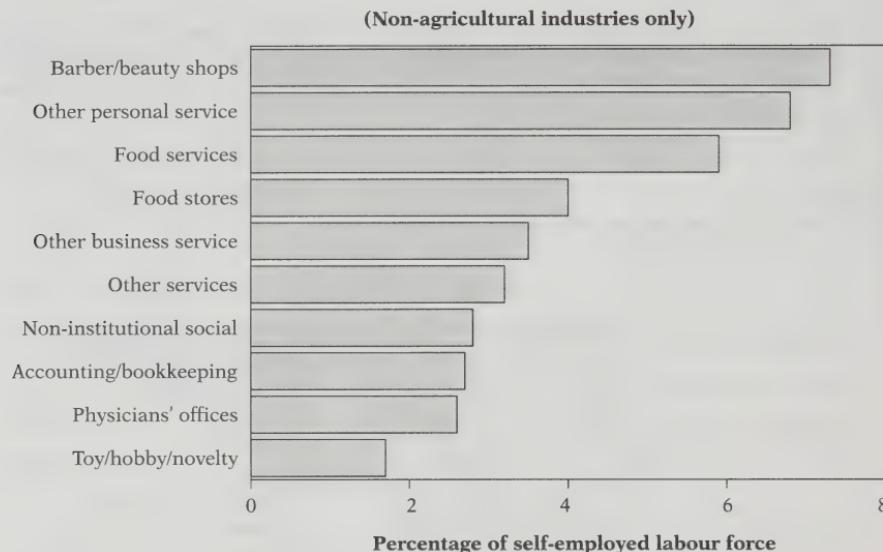
(Non-agricultural industries only)



Source: 1991 Census, unpublished data.

Self-employed women, on the other hand, show a distinctly different mix of industries (**Chart 4.3**). There are six industries included for women that do not show on the overall top 10 list, and there is more of an emphasis on service industries as opposed to either professional industries or independent trades. Although not shown, there is a much lower rate of employers among women than in the total self-employed.

### Chart 4.3 Top 10 Industry Groups for Self-employed Women



Source: 1991 Census, unpublished data.

In looking at these industry distributions, several points become evident. Firstly, the highest rates of self-employment are found in industries associated with independent workers. Secondly, there are higher employer rates for men in many self-employed industries. And finally, more women are self-employed in the service industries. The next chapter examines the occupations and employment incomes of self-employed workers as a continuation of these industry factors.

# *Chapter*

## 5

### **Occupation And Employment Income**

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From an occupation perspective we examine what people do, as opposed to the type of company or industry in which the work is done. As an example, all workers in a gold mining company are classified to one industry. However, the workers in that company may have a variety of occupations – miner, doctor, secretary or accountant – depending on the particular work they do. In this example, the workers are employees; only the owners of a gold mine are self-employed.

In discussing the self-employed, the distinction between industry and occupation may blur. There is an industry group, Offices of physicians and surgeons; there is an occupation group, Physicians and surgeons. There are, however, different aspects to self-employment when examined from an occupation viewpoint. For example, managers are grouped together and artists and artisans are categorized by what they do rather than by what they produce.

As with industry, census occupation data are classified to a structure based on three levels of aggregation. In this case there are 22 major groups, subdivided into 80 minor groups, which are then subdivided into 514 detailed unit groups.

### **The Overall Picture**

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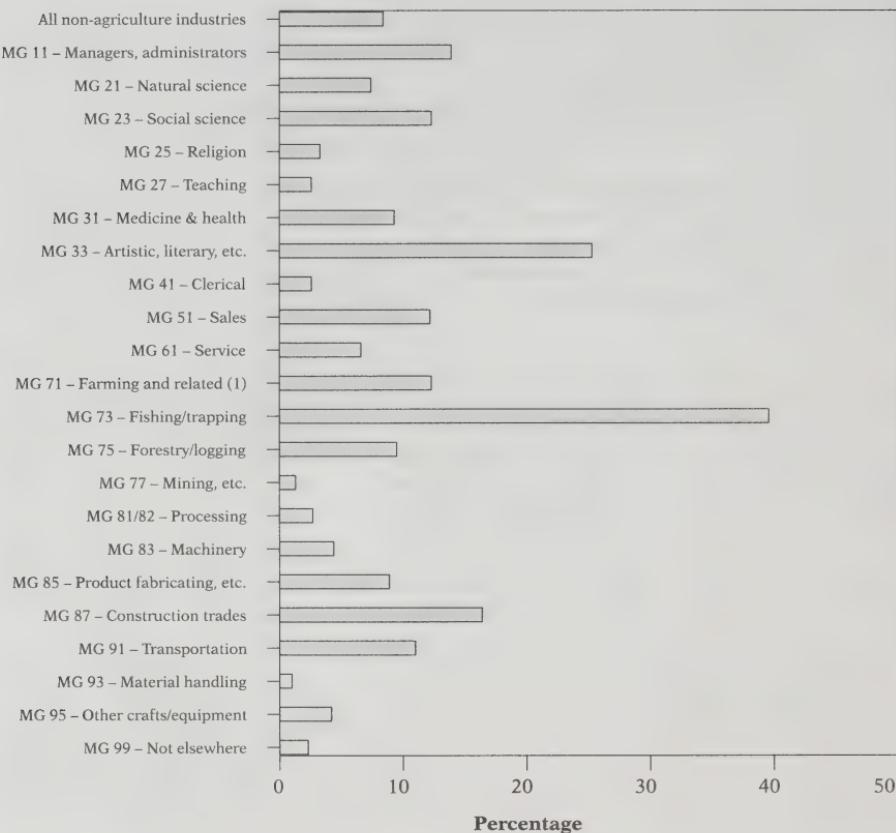
Self-employment rates are higher than average in 10 of the major groups. The Fishing and trapping category is by far the largest, with a self-employment rate near 40%. There is a long drop to the next largest group, Artistic, literary and recreational, at 25%.

Except for Fishing and trapping, the self-employment rates by occupation for the major groups do not vary as much from the average as those in the industry model. There are, however, some jobs that are high in self-employment in an occupation context, such as Managers and administrators, and Sales occupations, which cross industry boundaries.

Other broad occupations have lower than average self-employment rates but high numbers of self-employed. Together, the three major groups – Service occupations, Clerical occupations, and Natural science, engineering and mathematical occupations – account for 20% of all self-employed workers, although they all have relatively low self-employment rates.

**Chart 5.1**  
**Self-employment Rate by Occupation Major Group**

(Non-agriculture industries only)



(1) Data for Major Group 71 are for the non-agriculture part of this occupation only;  
e.g., nurseries.

## Concentrated in Fewer Occupations

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The self-employed are more concentrated in fewer occupations. The 10 occupation unit groups with the most number of self-employed workers contain over one-third of the self-employed population. Only one-quarter of the employee labour force is in the top 10 unit groups for employees.

Employers are the more concentrated of the self-employed categories, with nearly one-half in the employer top 10. Almost 60% of women employers are in the 10 largest employer groups for women, which is noteworthy given that there are more than 500 groups.

## High Proportion in Professional Occupations

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Unlike the lack of extremes at the broad major group level, there are many high self-employment rates at the detailed occupation group level. There are 27 occupation groups in which at least one-third of the labour force is self-employed; 10 of these have a self-employed proportion of over 50% (**Table 5.1**).

**Table 5.1**  
**Ten Highest-ranked Occupation Groups by the Proportion of Self-employed in the Labour Force**

Occupation group	Number of self-employed	Self-employment rate	Employer rate
Dentists	10,645	83.0	89.1
Osteopaths and chiropractors	3,060	75.5	79.1
Painters, sculptors and related	8,145	71.3	9.6
Denturists	1,300	67.7	45.0
Optometrists	2,165	65.1	79.7
Captains/officers fishing	2,370	60.1	85.4
Physicians and surgeons	32,685	60.0	73.9
Conductors and composers	880	53.8	19.9
Trappers	500	52.6	5.0
Foremen/women: Wood Fabricating (1)	2,675	51.0	89.3
<b>Total for Top 10</b>	<b>64,425</b>		<b>67.9</b>

(1) Includes occupations such as furniture makers.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

In the industries containing the highest proportion of self-employed, there were low incidences of employers (i.e., only one in four) and few industries with a professional component. The trend is quite different for occupation, where two-thirds of the self-employed labour force in the 10 occupation groups with the highest proportion of self-employment are employers. These occupations are also dominated by professional groups.

## Most Workers

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The occupation groups with the most self-employed workers (**Table 5.2**) are very different from the ones with the highest self-employment rates.

**Table 5.2**  
Experienced Labour Force in the 10 Highest-ranked Occupation Groups for the Self-employed

Occupation group	Number	% of all self-employed	Employer rate	Male-to-female ratio
Sales clerks and sales persons – commodities	57,570	5.0	10.9	1.8
Supervisors-sales persons- commodities	52,960	4.6	99.9	1.9
Sales and advertising management	49,545	4.3	73.6	2.5
General managers and other senior officials	48,835	4.2	78.8	5.3
Carpenters and related	34,455	3.0	29.8	77.3
Barbers, hairdressers and related	33,615	2.9	34.5	0.3
Physicians and surgeons	32,685	2.8	73.9	3.6
Foremen/women: other construction trades	31,340	2.7	73.4	48.0
Other managers and administrators	30,080	2.6	73.0	2.3
Truck drivers	29,390	2.6	73.0	29.9
<b>Total for the Top 10</b>	<b>400,475</b>	<b>34.7</b>		

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Some of the occupations listed have high numbers of self-employed because they are such large groups. For example, although the Sales clerks and sales persons – commodities category has a relatively low percentage of self-employed (8.2% versus an average of 8.4%), it still ranks among the top 10 self-employed categories. In fact, this is the highest-ranked group for both the self-employed and employees.

The top three self-employed occupations for men are also found on this list – General managers and other senior officials, Sales clerks and sales persons – commodities, and Sales and advertising management. For women, the number one occupation is Barbers and hairdressers, followed by two occupations that do not appear on the overall top 10 list – Child-care givers and Bookkeepers and accounting clerks.

When the rankings are broken down into independent workers (**Table 5.3**) and employers (**Table 5.4**), the picture is quite different. Each list contains four new groups and reflects a complete rearrangement of the rankings.

**Table 5.3**  
**Ten Highest-ranked Occupation Groups for Independent Workers**

Occupation group	Number	% of all independent workers	Male-to-female ratios	Worked full time for most of the year (1)	
				Number	Average employment income
Sales clerks and sales persons – commodities	51,275	8.8	1.6	33,635	23,134
Carpenters and related	24,185	4.2	67.1	13,050	26,683
Truck drivers	22,195	3.8	28.6	16,015	34,125
Child-care givers	22,125	3.8	0.0	12,220	10,435
Barbers, hairdressers and related	22,025	3.8	0.3	14,220	17,739
Sales and advertising management (2)	13,085	2.3	1.8	9,495	26,445
Bookkeepers and accounting clerks	12,800	2.2	0.2	5,030	23,477
Accountants, auditors and other financial officers	11,935	2.1	2.2	7,370	40,201
Motor vehicle mechanics and repairers	10,575	1.8	83.6	7,970	23,418
General managers and other senior officials (2)	10,350	1.8	3.4	7,440	38,638
<b>Total for the Top 10</b>	<b>200,550</b>	<b>34.6</b>		<b>126,445</b>	

(1) The number of workers in each occupation is the total experienced labour force. However, the average employment income column is based on the counts shown for experienced workers who worked full time for most of the year (at least 40 weeks) in 1990 and had some employment income.

2) The inclusion of occupations of these types as independent workers reflects small partnerships and operations where there is no actual management of staff, but rather management of activities.

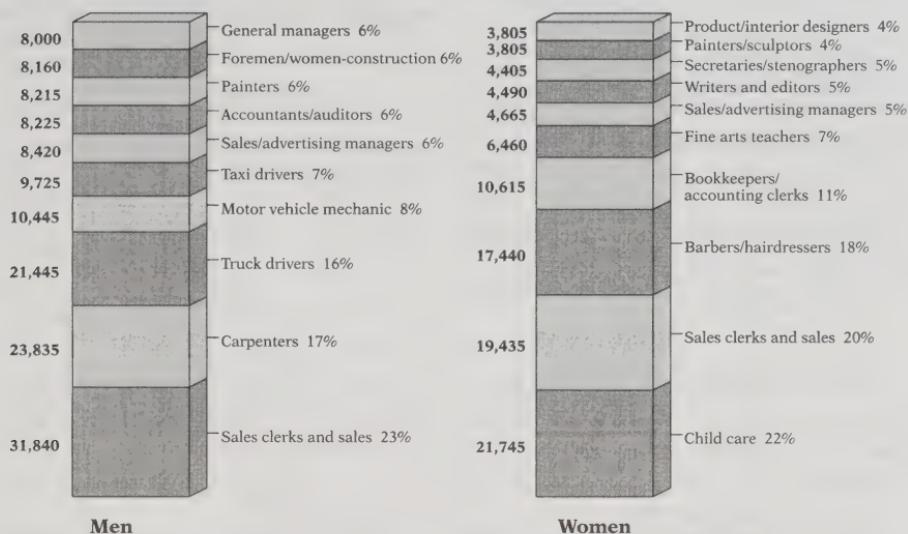
Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Not unexpectedly, the largest independent-worker categories are in occupations that could be done without any outside help, such as sales representatives, tradespeople and child-care givers.

The data for women (**Chart 5.2**) reveal at least one very distinct trend. In addition to the concentration in child care and sales, there are four occupations of an artistic nature in the top 10 independent worker groups for women and none in the top 10 for men. These groups are Fine arts teachers (a group that includes such occupations as music teachers); Writers and editors; Painters, sculptors and related artists; and Product and interior designers.

**Chart 5.2**  
**Ten Highest-ranked Occupations for Independent Workers by Sex**



Notes: Percentages are calculated on the sum of the top 10 occupations; Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Several points should be noted in the distribution of occupations in the employer category (**Table 5.4**). There are some very high employment incomes, and when the same occupation is found on both the employer and independent worker lists, the employer income is always markedly higher.

Further, employers can be classified into two distinct groups: the owner/operator, whose occupation and income are based on ownership of a company; and the professional, who may hire staff but whose income and characteristics are based on his or her own

activities (e.g., doctors, lawyers). On average, those in the professional employer group earn the higher incomes.

**Table 5.4**  
**Ten Highest-ranked Occupation Groups for Employers**

Occupation group	Number	% of all employers	Male-to-female ratios	Worked full time for most of the year (1)	
				Number	Average employment income (\$)
Supervisors and sales persons – commodities	52,925	9.3	1.9	44,220	30,237
General managers and other senior officials	38,480	6.7	6.1	33,995	60,503
Sales and advertising management	36,465	6.4	2.8	32,255	37,638
Physicians and surgeons	24,160	4.2	4.0	21,980	121,627
Foremen/women: other construction trades	23,005	4.0	48.5	17,230	39,229
Other managers and administrators	21,965	3.9	2.6	18,620	49,089
Lawyers and notaries	21,865	3.8	6.1	20,945	96,893
Services management	19,175	3.4	1.9	15,740	29,099
Accountants, auditors and other financial officers	15,675	2.7	4.2	14,210	66,068
Supervisors: food and beverage preparation and related service	13,675	2.4	1.4	10,865	25,404
<b>Total for the Top 10</b>	<b>267,390</b>	<b>46.8</b>		<b>230,060</b>	

(1) The number of workers in each occupation is the total experienced labour force. However, the average employment income column is based on the counts shown for experienced workers who worked full time for most of the year (at least 40 weeks) in 1990 and had some employment income.

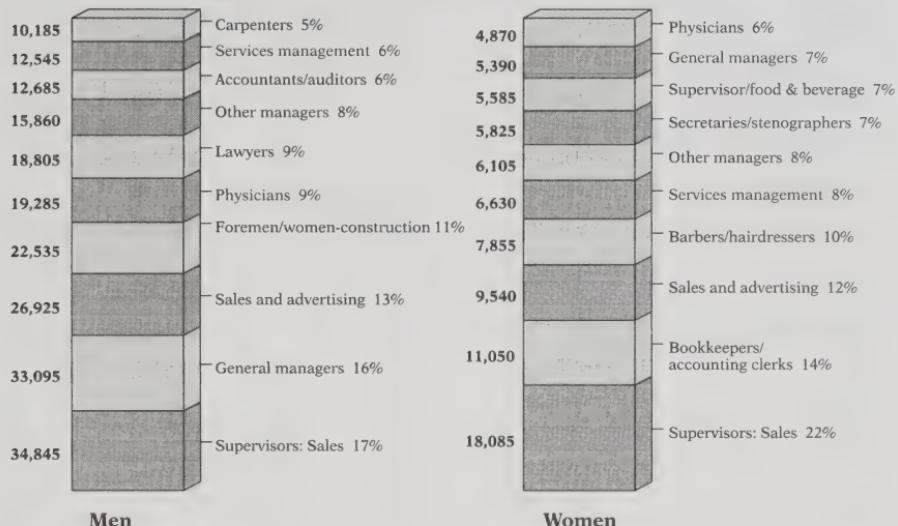
Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

Although the occupation mix is different for male and female employers (**Chart 5.3**), there are no patterns as clear as that of the four occupations of an artistic nature, seen for women independent workers. There are two trade occupations in the list for men and none for women. Further, there are two employer occupations for women (i.e., Bookkeepers and

accounting clerks, and Secretaries and stenographers) that appear primarily because they contain large numbers of women workers, not because they are "employer-type" occupations.

**Chart 5.3**  
**Ten Highest-ranked Occupations for Employers by Sex**



Notes: Percentages are calculated on the sum of the top 10 occupations; non-agricultural labour force only.

Source: 1991 Census, unpublished data.

To give some perspective on the jobs held by persons who are not self-employed, the final occupations reviewed by number of workers are those for employees (**Table 5.5**).

**Table 5.5**  
**Ten Highest-ranked Occupation Groups for Employees**

Occupation group	Number	% of all employees	Male-to-female ratios	Worked full time for most of the year(1)	
				Number	Average employment income
Sales clerks and sales persons – commodities	641,325	5.1	0.8	296,005	26,739
Secretaries and stenographers	440,380	3.5	0.0	295,350	23,580
Bookkeepers and accounting clerks	358,765	2.9	0.2	234,885	24,810
Cashiers and tellers	333,470	2.7	0.1	101,640	17,317
Food and beverage servers	282,665	2.3	0.3	78,760	13,722
Janitors, charworkers and cleaners	266,925	2.1	1.2	135,575	22,113
Registered and graduate nurses and nurses in training	253,720	2.0	0.1	139,285	33,177
Truck drivers	246,695	2.0	30.2	165,585	30,296
General office clerks	217,845	1.7	0.2	135,430	24,956
Chefs and cooks	208,775	1.7	1.0	90,040	18,340
<b>Total for the top 10</b>	<b>3,250,565</b>	<b>26.0</b>		<b>1,672,555</b>	

(1) The number of workers in each occupation is the total experienced labour force. However, the average employment income column is based on the counts shown for experienced workers who worked full time for most of the year (at least 40 weeks) in 1990 and had some employment income.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

An immediate point to note is that for employees the highest-ranked occupations are female-dominated (i.e., more women than men). As an example, the male-to-female ratio is so low for Secretaries and stenographers that it shows as 0.0 to the level of precision shown in this table. Also noticeable is the lower employment incomes for these occupations. Not surprising with the high proportion of women, the list for women is similar to the one shown (adding only Elementary and Kindergarten Teachers and Receptionists). However, for men, only four of the highest ranked occupations are found here. There is an additional mix of trades and a variety of other occupations in their top 10 list.

A review of the employer occupations by size of employment income (**Table 5.6**) rather than by size of work force reinforces some of the inferences noted earlier. Again, high average incomes for professionals are evident. Moreover, on average there are five men to every woman in the highest-earning employer occupation groups. In only 2 of the 10 groups is the male-to-female ratio close to the average for all employers (three to one).

**Table 5.6**  
**Employer Occupation Groups with the 10 Highest Average Employment Incomes**  
**(based on more than 350 employers)**

Occupation group	Males	Females	Male-to-female ratios	Worked full time for most of the year (1)	
				Number	Average employment income
Physicians and surgeons	19,285	4,870	4.0	21,980	121,627
Dentists	8,300	1,185	7.0	8,490	100,134
Lawyers and notaries	18,805	3,060	6.1	20,945	96,893
Organization and methods analysts	1,135	230	4.9	1,150	83,508
Optometrists	1,325	395	3.4	1,590	79,694
Osteopaths and chiropractors	2,125	300	7.1	2,025	75,654
Health Diagnosing and Treating	595	235	2.5	705	72,588
Architects	2,175	170	12.8	2,215	72,492
Supervisors: other occupations in architecture and engineering	395	20	19.8	390	70,257
Natural science and engineering, management	805	45	17.9	755	70,009
<b>Total for the top 10</b>	<b>54,945</b>	<b>10,510</b>	<b>5.2</b>	<b>60,245</b>	

(1) The number of workers in each occupation is the total experienced labour force. However, the average employment income column is based on the counts shown for experienced workers who worked full time for most of the year (at least 40 weeks) in 1990 and had some employment income.

Note: Non-agricultural labour force only.

Source: 1991 Census, unpublished data.

## Employment Income Comparisons

Overall, there is a large gap in employment income between employers and employees, with the self-employed earning more on average (**Chart 5.4**). However, self-employed independent workers do not earn as much as employees, reflecting some of the labour and occupation data seen earlier.

**Chart 5.4**  
**Average Employment Income in 1990 by Type of Worker**



Note: Based on the labour force who worked full time for 40 weeks or more.  
Source: 1991 Census, unpublished data.

In terms of the number of weeks and hours worked, independent workers had the most part-time work of any category. This group also had the lowest proportion of people who worked 40 weeks or more in full-time jobs, a rate just slightly less than the one for employees. Working less has an obvious effect on the employment income earned.

For women in particular, the occupation data also support the fact that on average, an independent worker earns less. The three largest independent worker occupation groups are relatively low-paying (i.e., child-care givers, sales clerks and salespersons – commodities, barbers and hairdressers).

When these figures are broken down by sex, it is obvious that the average income for women never approaches that shown for men for any category or subcategory.

## **Conclusion**

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### **Profile Summaries**

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This report has discussed the self-employed labour force, paying particular attention to the differences between independent workers and employers. The following highlights summarize the most significant results for the non-agricultural self-employed.

#### **Independent Workers**

Independent workers are:

- on a long-term decrease from levels in the early part of this century
- on a short-term increase over the last 10 years
- older than employees (on average)
- seldom young
- working past the age of 55 at a high rate (18%)
- more often men than women (but the gender gap is greater in the employer category)
- better educated than employees, less well educated than employers
- working similar hours to employees
- working more part time for part of the year than either employees or employers
- less likely to have incorporated their business than employers

- concentrated in a limited number of industries
- for women, more often working in the service sector
- more concentrated in a limited number of occupations than employees but less so than employers
- more likely found in service and trade occupations than employers
- less likely to be in professional or managerial occupations than employers
- for women, often in arts-related occupations and
- earn less, on average, than either employees or employers.

## **Employers**

Employers are:

- on a long-term increase from levels in the early part of this century
- on a short-term decrease in the last 10 years
- older than employees (on average)
- almost never young
- working past the age of 55 at a high rate
- much more often men than women, although this has decreased from 25 to 1 to 3 to 1 in 60 years
- for women, often in partnership with their husbands
- in 20% of the cases for men, in partnership with their wives
- more highly educated (e.g., 25% have university degrees)
- represented at a higher rate in the immigrant population than independent workers
- working long hours, both on average and in the highest range of hours
- working mainly full time for most of the year
- more likely to have incorporated their business than independent workers
- concentrated in a limited number of industries
- more concentrated in a limited number of occupations than independent workers
- less likely to be in service or trade occupations than independent workers and
- by far, the category of worker with the highest average annual employment income.

The employer and independent worker categories do have distinct characteristics and can be an excellent source of data for research and analysis. As noted previously, data on self-employment trends from the 1931 to 1991 Censuses are included in the Summary Data Tables for users who may wish to study the data differently.



## **Appendices**

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## Agriculture Summary

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For the profiles summarized in the conclusion, self-employed workers in agriculture show the following differences in comparison with the remaining self-employed:

- They are more likely to be men (78.1% versus 70.8%).
- They are much older, with 39.9% over age 55, compared with 17.2% for the remainder.
- Only 26.0% are employers, compared with 49.5% for other self-employed workers.
- Wives who are employers in agriculture are more likely to be in a shared enterprise with their husbands (68.9% versus 58.3% in non-agriculture). For Husbands who are employers, the pattern is similar (21.2% in agriculture versus 17.7% in non-agriculture).
- Those who are self-employed in agriculture are less well-educated, with 52.8% having not completed high school, compared with one-quarter for the remaining self-employed.
- There is a much lower proportion of immigrants in agriculture. Only 6.3% of self-employed immigrants are employed in agriculture, compared with 20.8% of the Canadian-born self-employed.

In addition, the labour characteristics of the agriculture self-employed are so different from those in non-agriculture industries that they justify treating this category separately when examining these factors. They work 58.6 hours a week on average; 80.2% work full time for most of the year. And, their rate of incorporation is only half that of the non-agriculture self-employed (18.2% versus 37.5%).

## Glossary

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### Class of Worker

The population defined in terms of Class of Worker can be reordered in a number of fashions. The individual categories are:

#### **Employees**

Individuals working for wages and salaries, tips or commission.

#### **Self-employed**

Individuals operating their own businesses, farms or professional practices (alone or in partnership), including these sub-categories:

##### **Employers**

Self-employed workers with paid help.

##### **Independent Workers**

Self-employed workers without paid help.

### Unpaid Family Workers

Individuals working without pay for their spouse or another relative in a family farm or business. This is a small residual category (66,045 persons in Canada in the 1991 Census, representing less than 1% of the experienced labour force). It has been ignored in the analysis in this report. Conceptually, these individuals can be considered as either self-employed (e.g., a "farm husband/wife" could be thought of as a self-employed partner) or employees (e.g., an older child helping in a corner store is doing work that might normally be done by a hired worker).

### Paid Workers

This category combines employees with self-employed individuals (either employers or independent workers) who have incorporated their farm or business. The rationale for the regrouping is based on the fact that self-employed individuals who have incorporated their businesses can be considered as workers whose employment income is salary. They have some characteristics similar to salaried or "paid" workers of their own company. Many Statistics Canada surveys, particularly ones that link or attempt to remain consistent with the System of National Accounts, use this Paid Worker categorization. This report does not differentiate between the incorporated or unincorporated self-employed, other than in a small section discussing incorporation as a characteristic.

If the paid worker category is used, the self-employed universe is reduced from 10 % to 6.5 % of the experienced labour force.

There are rules/definitions that affect the treatment of Class of Worker data and the assignment of individuals to either of the two major categories (i.e., employees or self-employed). For example:

- 1) Government workers are by definition employees.
- 2) A person babysitting in his or her own home is considered self-employed.
- 3) A person babysitting in another person's home is considered an employee.
- 4) A salesperson on commission for one company is considered an employee.
- 5) A salesperson contracting his or her services for a number of companies is considered self-employed.

There are any number of other rules of this type, all of which have a basis in the census definition of an employee or a self-employed worker. It is important to note that rules such as the one defining babysitting can make significant differences in employee/self-employed counts. Readers attempting to compare results in this study with other surveys (particularly outside Statistics Canada) or with counts from union or professional organizations should be aware that some differences may be attributable to these factors.

## **Labour Force Concepts**

### **Experienced Labour Force**

Wherever possible, the universe for tabulations in this report is based on the experienced labour force (persons currently employed or those looking for work) who have worked at some point since January 1 of the previous year. Occasionally, in historical tables or for a particular analysis (e.g., husband/wife families), the universe is altered.

### **Industry**

With the exception of historical analysis, industry is based on the 1980 Standard Industrial Classification.

### **Occupation**

Occupation is based on the 1980 Standard Occupational Classification.

### **Employment Income**

Employment income refers to total income received as wages and salaries, net income from unincorporated non-farm business and/or professional practice, and net farm self-employment income. As noted in the text, employment income figures in this study are based on those experienced workers who worked full time for most of the year in 1990 (40 weeks or more).

### **Reference periods**

To determine the industry, occupation and class of worker, respondents were asked to state their current or most recent job. The income and weeks data are based on the previous calendar year. The reported information may not always be for the same job (someone may have changed jobs and currently be self-employed, but may have worked as an employee for the entire previous year).

## Summary Data Tables, 1931 to 1991

Year	Sex	Industry	Total	Self-employed	% Self-employed	Employer	Independent worker	Employee	Unpaid family worker
1931	T	Total	3,927,230	1,011,294	25.8	406,792	604,502	2,570,097	345,839
	M	Total	3,261,371	937,607	28.8	387,886	549,721	2,022,260	301,504
	F	Total	665,859	73,687	11.1	18,906	54,781	547,837	44,335
	T	Agriculture	1,132,345	645,806	57.0	304,879	340,927	202,137	284,402
	M	Agriculture	1,107,766	626,110	56.5	289,880	336,230	200,468	281,188
	F	Agriculture	24,579	19,696	80.1	14,999	4,697	1,669	3,214
	T	Non-agriculture	2,794,885	365,488	13.1	101,913	263,575	2,367,960	61,437
	M	Non-agriculture	2,153,605	311,497	14.5	98,006	213,491	1,821,792	20,316
	F	Non-agriculture	641,280	53,991	8.4	3,907	50,084	546,168	41,121
1941	T	Total	4,195,951	1,036,206	24.7	246,739	789,467	2,816,798	342,947
	M	Total	3,363,111	967,470	28.8	237,175	730,295	2,117,357	278,284
	F	Total	832,840	68,736	8.3	9,564	59,172	699,441	64,663
	T	Agriculture	1,082,074	644,658	59.6	175,274	469,384	179,273	258,143
	M	Agriculture	1,062,928	630,628	59.3	170,033	460,595	177,229	255,071
	F	Agriculture	19,146	14,030	73.3	5,241	8,789	2,044	3,072
	T	Non-agriculture	3,113,877	391,548	12.6	71,465	320,083	2,637,525	84,804
	M	Non-agriculture	2,300,183	336,842	14.6	67,142	269,700	1,940,128	23,213
	F	Non-agriculture	813,694	54,706	6.7	4,323	50,383	697,397	61,591
1951	T	Total	5,286,153	1,031,009	19.5	229,638	801,371	4,085,151	169,993
	M	Total	4,121,832	974,287	23.6	219,086	755,201	3,011,322	136,223
	F	Total	1,164,321	56,722	4.9	10,552	46,170	1,073,829	33,770
	T	Agriculture	827,030	548,400	66.3	67,210	481,190	133,763	144,867
	M	Agriculture	791,931	540,199	68.2	65,292	474,907	125,408	126,324
	F	Agriculture	35,099	8,201	23.4	1,918	6,283	8,355	18,543
	T	Non-agriculture	4,459,123	482,609	10.8	162,428	320,181	3,951,388	25,126
	M	Non-agriculture	3,329,901	434,088	13.0	153,794	280,294	2,885,914	9,899
	F	Non-agriculture	1,129,222	48,521	4.3	8,634	39,887	1,065,474	15,227
1961	T	Total	6,471,850	940,488	14.5	n/a	n/a	5,366,977	164,385
	M	Total	4,705,518	846,467	18.0	n/a	n/a	3,781,520	77,531
	F	Total	1,766,332	94,021	5.3	n/a	n/a	1,585,457	86,854
	T	Agriculture	640,786	398,699	62.2	n/a	n/a	116,701	125,386
	M	Agriculture	562,075	389,506	69.3	n/a	n/a	104,146	68,423
	F	Agriculture	78,711	9,193	11.7	n/a	n/a	12,555	56,963
	T	Non-agriculture	5,831,064	541,789	9.3	n/a	n/a	5,250,276	38,999
	M	Non-agriculture	4,143,443	456,961	11.0	n/a	n/a	3,677,374	9,108
	F	Non-agriculture	1,687,621	84,828	5.0	n/a	n/a	1,572,902	29,891

## Summary Data Tables, 1931 to 1991 (continued)

Year	Sex	Industry	Total	Self-employed	% Self-employed	Employer	Independent worker	Employee	Unpaid family worker
1971	T	Total	8,626,930	799,560	9.3	316,150	483,410	7,543,815	283,555
	M	Total	5,665,720	702,825	12.4	282,245	420,580	4,888,690	74,205
	F	Total	2,961,210	96,735	3.3	33,905	62,830	2,655,125	209,350
	T	Agriculture	481,185	235,680	49.0	38,175	197,505	127,165	118,340
	M	Agriculture	369,625	227,765	61.6	36,835	190,930	97,155	44,705
	F	Agriculture	111,560	7,915	7.1	1,340	6,575	30,010	73,635
	T	Non-agriculture	8,145,745	563,880	6.9	277,975	285,905	7,416,650	165,205
	M	Non-agriculture	5,296,095	475,060	9.0	245,410	229,650	4,791,535	29,500
	F	Non-agriculture	2,849,650	88,820	3.1	32,565	56,255	2,625,115	135,715
1981	T	Total	12,005,320	1,096,020	9.1	503,410	592,610	10,836,920	72,380
	M	Total	7,152,205	891,055	12.5	419,190	471,865	6,241,690	19,460
	F	Total	4,853,115	204,965	4.2	84,220	120,745	4,595,230	52,920
	T	Agriculture	493,005	269,580	54.7	58,795	210,785	176,100	47,325
	M	Agriculture	370,580	238,940	64.5	51,310	187,630	117,285	14,355
	F	Agriculture	122,415	30,640	25.0	7,485	23,155	58,815	32,970
	T	Non-agriculture	11,512,315	826,440	7.2	444,615	381,825	10,660,820	25,055
	M	Non-agriculture	6,781,615	652,115	9.6	367,880	284,235	6,124,405	5,105
	F	Non-agriculture	4,730,700	174,325	3.7	76,735	97,590	4,536,415	19,950
1986	T	Total	12,783,510	1,208,445	9.5	573,000	635,445	11,485,770	89,295
	M	Total	7,316,995	947,770	13.0	463,820	483,950	6,346,805	22,420
	F	Total	5,466,515	260,675	4.8	109,180	151,495	5,138,965	66,875
	T	Agriculture	504,245	252,145	50.0	65,510	186,635	193,015	59,085
	M	Agriculture	361,315	222,945	61.7	56,620	166,325	123,490	14,890
	F	Agriculture	142,930	29,200	20.4	8,890	20,310	69,525	44,195
	T	Non-agriculture	12,279,265	956,300	7.8	507,490	448,810	11,292,755	30,210
	M	Non-agriculture	6,955,680	724,825	10.4	407,200	317,625	6,223,315	7,530
	F	Non-agriculture	5,323,595	231,475	4.4	100,290	131,185	5,069,440	22,680
1991	T	Total	14,329,100	1,406,420	9.8	636,580	769,840	12,856,200	66,480
	M	Total	7,900,410	1,014,625	12.8	483,315	531,310	6,866,295	19,490
	F	Total	6,428,690	391,795	6.1	153,265	238,530	5,989,905	46,990
	T	Agriculture	509,775	252,800	49.6	65,775	187,025	222,700	34,275
	M	Agriculture	339,020	197,935	58.4	51,575	146,360	130,485	10,600
	F	Agriculture	170,755	54,865	32.1	14,200	40,665	92,215	23,675
	T	Non-agriculture	13,819,325	1,153,620	8.4	570,805	582,815	12,633,500	32,205
	M	Non-agriculture	7,561,390	816,690	10.8	431,740	384,950	6,735,810	8,890
	F	Non-agriculture	6,257,935	336,930	5.4	139,065	197,865	5,897,690	23,315

## Summary Data Tables, 1931 to 1991 (concluded)

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Source: 1931 Census of Canada, *Occupations and Industries*. Volume VII, Table 50.

Note: Population is 10 years of age and over; does not include Yukon, N.W.T. or Newfoundland and is based on the gainfully occupied, rather than the experienced labour force. The agriculture totals are based on an occupation rather than an industry definition in this table in this Census year only.

Source: 1941 Census of Canada, *Occupations and Industries*. Volume VII, Table 18.

Note: Population is 14 years and over; does not include persons on Active Service in World War II; does not include the Yukon, N.W.T. and Newfoundland and is based on the gainfully occupied, rather than the experienced labour force.

Source: 1951 Census of Canada, *Occupations and Industries*. Volume IV, Labour Force, Table 19.

Note: Population is 14 years and over; does not include the Yukon, N.W.T. but does include Newfoundland and is based on the experienced labour force.

Source: 1961 Census of Canada, *Labour Force - Industries*. Volume III, Part 2, Table 9.

Note: Population is 15 years and over and includes the Yukon, N.W.T. and Newfoundland and is based on the experienced labour force.

Source: 1971 Census of Canada, Special tabulations.

Note: Population is 15 years and over; includes the Yukon, N.W.T. and Newfoundland and is based on the experienced labour force.

Source: 1981 Census of Canada, Special tabulations.

Note: Population is 15 years and over and includes the Yukon, N.W.T. and Newfoundland and is based on the experienced labour force (based on the LF71 variable).

Source: 1986 Census of Canada, Special tabulations.

Note: Population is 15 years and over and includes the Yukon, N.W.T. and Newfoundland and is based on the experienced labour force (based on the LF71 variable).

Source: 1991 Census of Canada, Special tabulations.

Note: Population is 15 years and over and includes the Yukon, N.W.T. and Newfoundland and is based on the experienced labour force (based on the LF71 variable).



# The Self-Employed

Statistics Canada

Is being self employed really economically attractive? Or is it chosen due to circumstances? This report focuses on two types of self-employed workers in Canada: those with and without paid help. These groups are analyzed in terms of their demographic make-up, labour characteristics, industries, and occupations. It casts new light on the common perception of the self employed as an advantaged group.

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